

State of Utah Department of Commerce

Division of Securities

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NEWS RELEASE

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<u>Promoter of Educational Program Investments is Sentenced for Securities Fraud</u> Garner sold notes in "Attitude Adjustment Factory," had violated earlier order...

SALT LAKE CITY, Utah – Janelle Moore Garner, of Ogden, was sentenced today to up to five years in prison for her role in illegally soliciting investments for her company. Garner owns and operates the Attitude Adjustment Factory, a Utah company that claims to teach mental tools that nurture positive interaction between parents and children.

In 2001, Garner had been ordered by the Utah Division of Securities to cease violating the law by selling unregistered securities and failing to disclose to investors that there were unpaid judgments against her. When investigators subsequently discovered that she was continuing to solicit investments, the case was referred to the Utah Attorney General for criminal charges. Garner was charged in December 2005 with securities fraud for selling promissory notes to investors. In July 2006, Garner pleaded guilty to a felony charge of securities fraud for selling these notes and other charges against her were dismissed.

At sentencing, the judge suspended her prison sentence and ordered her to be on probation for 36 months. She was ordered to pay full restitution to the investors and a fine of \$550. An initial payment of \$4,500 will go to the six investors identified in these criminal charges. Garner also will make restitution to victims of an earlier investment program. A hearing will be held in June to decide how much restitution is due to all the investors.

According to the criminal charges, Garner had violated the earlier cease and desist order from the Division of Securities and did not tell investors about prior unpaid judgments against her, inform them that prior investors had not been repaid, or disclose the risks of the investment. She also falsely claimed that an educational program developed by her company had been approved by the Utah Board of Education.

Investors are encouraged to call the Division of Securities at (801) 530-6600 before investing to make sure the people selling securities are licensed.